(b) whether the rapid growth of electronic media has adversely affected the prospects of print media which values freedom of expression and probity in governance; and

(c) whether to offer a level playing field *vis-a-vis* electronic media, Government would accede to the just demands of the INS?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir. Government has received a representation from the Indian Newspaper Society (INS) for exempting import duty on newsprint and certain types of printing machinery including pre-press and post-press equipment.

(b) According to a report on the Indian entertainment and media industry by Price Waterhouse Coopers, the compound annual growth rate (CAGR) during 2004-07 of newspaper publishing was 15% while that of magazine publishing was 17%. These rates are much higher than the average rate of growth of the economy during this period.

(c) Government has examined the request made by INS and in view of the rise in international prices, a notification dated 29th April, 2008 has been issued, reducing basic customs duty on newsprint from the existing 5% to 3%. Newsprint is already fully exempt from excise duty/CVD as well as 4% special CV duty. As regards printing machines, customs duty is already at a concessional rate of 7.5%, which is applicable for capital goods, in general. For specified high .speed printing machines for printing newspapers, concessional customs duty of 5% and concessional countervailing duty of 8% has been provided. At present, Government is not considering any proposal for further reduction in customs duty on newsprint or printing machinery.

Sovereign Wealth Fund

*576. DR. E.M. SUDARSANA NATCHIAPPAN:
DR. T SUBBARAMI REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government is contemplating to establish "Sovereign Wealth Fund" as the country is having surplus forex reserves to the extent of $309.16 billion; and

(b) if so, what is the time bound programme for the same?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) There is no such proposal under consideration of the Government at present.

(b) Does not arise.

Report of IFPRI on price control measures

†*577. DR. MURLI MANOHAR JOSHI:
SHRI RAM JETHMALANI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the report released by the International Food Policy Research Institute (IFPRI) which states that the steps taken by Government to control import and export with a view to check price rise are harmful for development;

† Original notice of the question was received in Hindi.

(b) if so, on what basis the Government steps have been termed as harmful for development in the report;

(c) whether Government agrees with the views expressed in the report; and

(d) if so, what is the reaction of Government thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) As per the report released by the International Food Policy Research Institute (IFPRI), many countries have resorted to restricting food exports and reducing restrictions on imports through tariff cuts to check price rise. According to the Report, such price contro's and change in import and export policies may address problems of poor consumers but some of these policies are likely to make the international market smaller and more volatile. The Report suggests that any long-term strategy to stabilize food prices will need to include increased agricultural production.

While the Government agrees with the view that agricultural production must increase to stabilize food prices, the Government does not concur with the proposition that ban on exports and easing imports would limit production. Export restrictions and ease of imports are intended to increase domestic availability of food-grains, thereby insulating consumers from global price increases. As a long-term strategy to stabilize food prices, Government has initiated the National Food Security Mission to increase production of rice, wheat and pulses by 10 million tonnes, 8 million tonnes and 2 million tonnes respectively. Government, by increasing the support price of major crops, is also providing adequate incentive to farmers.

Technical snags in aircrafts in Air India and Indian Airlines

†*578. SHRI MOTILAL VORA:
SHRI SATYAVRAT CHATURVEDI:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) the number of flights affected due to technical snags in the aircrafts of Air India and Indian Airlines during the last one year;

(b) whether it is a fact that Air India's flight number 111 from Amritsar to Delhi had to land at Rajasansi airport due to leakage of hydraulic oil;

(c) if so, the reasons for frequent technical snags in aircrafts; and

(d) the step's Government is taking to avoid the risk to life of passengers?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Details are being collected.

(b) Yes, Sir.

(c) Technical snags in aircraft are normal industry phenomenon. Technical snags are mainly caused due to malfunction of components/accessories fitted on the aircraft. There are various factors affecting the reliability of the engine/components/accessories such as age of the aircraft, operational environment of the aircraft, pattern of operation of the aircraft etc.

† Original notice of the question was received in Hindi.